

DOCUMENT CONVERSION WORKSHEET

PREP'D BY: Helen DATE REC'D/PROCESSED: 8/30/07

CASE #: F-1998-00369 BATCH #: 783952 ACTION (SCAN TO) Folder A ACTION STAT

FOLDER: DA DST DO DI DCI WORK REVIEW

TAB: RESCAN? Y (N) (circle one) OCR? (Y) N DUP? (Y) N

ORIGINATING AGENCY: CIA ✓ FBI STATE ARMY OTHER

	MORI DOC #	PAGES	SCAN	CORE	INDEX	DUP-CHECK	QA
				IMAGE	INDEX		
1	641574	4	9/4/01	MCE	9/5/01		9/6/01
2	641575	1	JDH				JDH
3	641576	3					
4	641577	15					
5	641578	2					
6	641579	20					
7	641580	3					
8	641581	7					
9	641582	6					
10	641583	5					
11	641584	1					
12	641585	3					
13	641586	3					
14	641587	1					
15	641588	9	✓	✓	✓		✓

TOTAL PAGES 83

KEYWORDS:

ITEK Corp
Bissell, Richard

Project CORONA

RETURN TO:

LOGGING/MARY/KATHY IA SECTION/JEANETTE/HELEN/KAREN/JOAN CASE OFFICER ART JOANNE MARLENE CHRIS K. APPEALS/GARY G. LSSD(LITIGATION) FRANK RICHARD G. EXTENDED INFORMATION?: (Y) N

Job 67 B 000 74R

Box 5

Folder 22A

ABSTRACT INFORMATION:

25X1

1851

-25X1

Form No. 1034
GAO 5030
034-106

**PUBLIC VOUCHER FOR PURCHASES AND
SERVICES OTHER THAN PERSONAL**

Use continuation sheet(s) if necessary

BU. VOU. NO. _____

Page 1 of 1

PAID BY

U. S. _____ (Department, bureau, or establishment)

Voucher prepared at _____ (Give place and date)

Payee's Account No. _____ Discount Terms _____

TO ITEK Corporation
(Payee)

Boston, Massachusetts

(Address)

Contract No. BB-450 Date _____ Req. No. _____ Date _____ Invoice Rec'd. _____
Shipped from _____ to _____ Weight _____ Govt. B/L No. _____

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary)	Quantity	UNIT PRICE		AMOUNT
				Cost	Per	
		<u>Invoice Nos.</u> <u>6443</u>				<u>\$97,144.11</u>
TOTAL						<u>\$97,144.11</u>

(PAYEE MUST NOT USE THIS SPACE)

PAYMENT:

COMPLETE ☐
PARTIAL ☐
FINAL ☐
PROGRESS ☐
ADVANCE ☐

DIFFERENCES

Amount verified; correct for
(Signature or initials) _____

\$97,144.11

STAT

† Approved for _____ = \$ _____

By _____

Title _____

Exchange rate _____ = \$1.00

THE REVERSE OF THIS FORM MUST BE EXECUTED WHEN PURCHASES ARE MADE

ACCOUNTING CLASSIFICATION (Appropriation Symbol)

STAT

8 MAY 1962

(Date)

Officer)

Paid by _____ on Treasurer of the United States
Check No. _____ on _____ (Name of Bank)
Cash, \$ _____, on _____, 19 _____ Payee _____

* When used in foreign countries, insert name of currency of country in which used.

† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign on the line below "Approved for \$ _____", and over his official title.

Per _____

Title _____



INVOICE

Itek Corporation

Waltham 54, Massachusetts

SOLD TO:**SHIPPED TO:****INVOICE DATE** 3/22/62**INVOICE NO.** 6443**terms, net cash**

YOUR ORDER NO.	GOV'T CONTRACT NO.	SHIPPED VIA -	
			8214

Contract Item #2 (5 of 5)


Costs Incurred	\$664,117.65
Less Progress Billings	597,705.89
Costs Billed this Invoice	66,411.76
Profit (10.5% of \$1,809.05)	69,732.35
Total Billing	<u>\$136,144.11</u>

733,850.00
Billing price per
Ex. A 88450
13

"I certify that the above bill is correct and just and that payment has not been received. Payment is requested on a provisional basis pending the establishment of accepted overhead rates."

less:
39,000.00
99,144.11
Per AAC

STAT



 Itek Laboratories

"It is hereby acknowledged that the assignment of all monies due and to become due under Contract No. (classified), is effective and covers this invoice which is to be paid directly to the Assignee, The First National Bank of Boston, 67 Milk Street, Boston 6, Massachusetts."

Itek Corporation

STAT

BY


 Duncan Bruce, Jr., Controller

CLASSIFIED MESSAGE

DATE 1920Z 14 OCT 63

SECRET

ROUTING	
1	CD
2	BEB
3	DIT gsk
4	D/EA
5	
6	

TO , DIRECTOR

FROM

ACTION:

INFO : OSA 1-15

TOR: 2117Z 14 OCT 63

ROUTINE

IN 95604

INFO

TO

CORONA

ATTN:

REF:

3191

996

002

REFERENCE TELECON THIS DATE - THIS IS TO CONFIRM AUTHORIZATION RECEIVED FOR FORMAL TRANSFER OF S/I UNIT S-8 AND ITS ASSOCIATE TAKE-UP FROM CONTRACT BB-450 TO CONTRACT BB-550. BOTH OF THESE INSTRUMENTS HAVE ALREADY BEEN DELIVERED UNDER CONTRACT BB-450.

END OF MESSAGE

SECRET

GROUP 1
Excluded from automatic
downgrading and
declassification

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED. Copy No.

33 20 7 3-2 CLASSIFIED MESSAGE

OP: [REDACTED]
 UNIT: [REDACTED]
 EXT: [REDACTED]
 DATE: 8 JANUARY 1963

SECRET

BB-450, BB-550 PROP.

ROUTING 25X1

1	CE/OSA	4	FB/OSA
2	CT/OSA	5	DD/OSA
3	AD/OSA	6	RR/OSA
		7.	CD/OSA

25X1

TO: [REDACTED]

FROM: DIRECTOR

CONF: OSA (1-2-3-4-5-6-7-8-9-10)

INFO: S/C (11)

DTG: 2053Z 08 JAN 63

PRIORITY	DEFERRED	X	PRIORITY	INITIAL
	ROUTINE		OPERATIONAL IMMEDIATE	INITIAL

OUT 40755

TO: [REDACTED]

INFO: [REDACTED]

ONE: [REDACTED]

25X1

[REDACTED] HAS ISSUED AMENDMENT NO. 3 TO BB-450 INCREASING FUNDS ALLOTTED BY 525X1

EXPECT IN MAIL TO [REDACTED] THIS DATE. *ITER*

25X1

AMENDMENT NO. 4 TO BB-450 SHOULD BE MAILED TO CONTRACTOR ACCORD ON OR BEFORE 14 JANUARY 1963. AMENDMENT COVERS SYSTEM M-23 THRU M-27.

LETTER CONTRACT NO. BB-550 COVERING J CONFIGURATION EXPECTED TO BE IN MAIL BY 11 JANUARY 1963. INITIAL OBLIGATION OF 1,250,000 INCLUDED.

END OF MESSAGE

CIRCULATE	INITIAL
X-REF	
<i>EB</i>	
FILE	

25X1

GROUP 1 - EXCLUDED FROM
 AUTOMATIC DOWNGRADING
 AND DECLASSIFICATION.

25X1

COORDINATING OFFICERS

SECRET

CH/CD/OSA

RELEASING OFFICER

AUTHENTICATING OFFICER

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED. Copy To

ROUTING

DATE 2154Z 19 NOV 62

S E C R E T

1	CD	4	CD
2	FB	5	
3	admin	6	

TO DIRECTOR

FROM

ACTION: OSA (1-2-3-4-5-6-7-8-9-10)

INFO S/C (11)

ROUTINE

IN 56233

TOR: 2123Z 19 NOV 62

TO

INFO

CITE

233

CORONA

ATTN:

ITEM

FUNDING ON BB-450 CRITICAL. IT IS EXPECTED THAT WE WILL EXPEND ALL OF THE PRESENT FUNDING BY 30 NOVEMBER 1962. REQUEST AN ADDITIONAL INCREMENT IN FUNDING FOR THE MONTH OF DECEMBER IN THE AMOUNT OF \$35,000.

END OF MESSAGE

S E C R E T

GROUP 1
Excluded from automatic
downgrading and
declassification

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

Copy No.

ORIG :
UNIT :
EXT :
DATE : 9 JULY 1962

SECRET

1	2	3	4	5	6
ED/OSA	ED/OSA	ED/OSA	ED/OSA	ED/OSA	ED/OSA

AD/OSA
25X1

TO :

FROM: DIRECTOR

CONF: OSA (1,2,3,4,5,6,7,8,9,10)

INFO: S/C (11)

JM

DTG 2222Z 09 JULY 62

ITEK

DEFERRED	PRIORITY	INITIALS
X ROUTINE	OPERATIONAL IMMEDIATE	INITIALS

OUT21948

TO
CORONA
REF 902

INFO

DATE

25X1
3553
25X1
25X1

REQUEST OF REF. MSG. APPROVED.

END OF MESSAGE

ED/OSA

25X1

CIRCULATE	INITIAL
X-REF	
FILE	

25X1

CH/CD/OSA

RELEASING OFFICER

COORDINATING OFFICERS

SECRET

AUTHENTICATING OFFICER

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED. Copy No.

CLASSIFIED MESSAGE

ORIG : [REDACTED]
 UNIT : [REDACTED]
 EXT : [REDACTED]
 DATE : 26 DEC 1961

SECRET

ROUTING 25X1

1	C/BB/DPD	4	CC
2	AC/DPD	5	FIN/DPD
3	NAT/DPD	6	CONTR/DPD

RI/DPD
 X 25X1
 X
 X

TO : [REDACTED]
 FROM: DIRECTOR

CONF: DPD (1-2-3-4-5-6-7-8-9-10)

INFO: S/C (11)

DL

TOR 2205Z 26 DEC 61

BB450

OUT 06380

TO

INFO

CITE

OGRONA

25X1 25X1
 6270
 25X1

1. THIS MESSAGE IS AUTHORIZATION TO FABRICATE 30 ADDITIONAL SUPPLY
 SPOOLS FOR THE [REDACTED] PROGRAM.

25X1

2. NEW SUBJECT: ELEVEN ROLLS OF J-23-7600 ON HAND AT HQS WILL BE
 SHIPPED TO YOU VIA NEXT HQS AIRCRAFT. GIVE QUANTITY, WEIGHT AND CUBE OF
 REPTILES NOW READY FOR [REDACTED]

25X1

END OF MESSAGE

CIRCULATE	✓	INITIAL
X-REF		R
		EE
		HAB
		K
		m
		PL
		DM
FILE		

25X1

CC

25X1

COORDINATING OFFICERS

SECRET

C/CONTR/DPD

RELEASING OFFICER

DE/DPD

AUTHENTICATING OFFICER

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED. Copy No.

25X1

1630Z 29 DEC 61

SECRET

Country
FIN
Ch 100

K/

TO : DIRECTOR

FROM :

ACTION: DPD (1-2-3-4-5-6-7-8-9-10)

INFO : S/C (11)

HW

TOR: 1923Z 29 DEC 61

TO

INFO

ATTN:

ROUTINE

IN: 25437

CITE

575

CONTRACT BB-450. MONTHLY FISCAL REPOT

MONTH OF NOVEMBER 1961

COST THRU

FEE

SELLING

PRICE

	G&A	FEE	SELLING PRICE
A. CUMULATIVE EXPENDITURES	\$1,990,380	\$233,189	\$2,223,569
B. COMMITMENTS AS OF 11/24/61	1,019,476	119,440	1,138,916
C. ESTIMATE TO COMPLETE	8,227,961	963,975	9,191,936
D. ESTIMATED COST AT COMPLETION	11,237,817	1,316,604	12,554,421
E. CONTRACT VALUE			
1. PRESENTLY AUTHORIZED	4,150,000	477,255	4,627,255
2. PENDING DEFINITIZATION	7,087,817	839,349	7,927,166

SECRET

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

Copy No.

S E C R E T

CITE [REDACTED] 575 (IN 25437)

PAGE TWO

25X1

3. ANTICIPATED CONTRACT

VALUE	11,237,817	1,316,684	12,554,421
-------	------------	-----------	------------

F. VARIANCE AT COMPLETION

(OVER) UNDER

- - -

NOTE: CONTRACT VALUE BASED ON TARGET BUDGET FOR 16 UNITS ONLY.

END OF MESSAGE

S E C R E T

S E C R E T

ROUTING			
1	Con	4	Fin
2	Ch. P.B.	5	as a ch
3	P.B.	6	21

INFO

CIRCULATE	INITIAL
X-REF	R
	[Signature]
	Jr
	Paw
	ZAS
	m
	Gw
FILE	(initial)

53-25X1-25X1

25X1

SELLING PRICE

\$1,506,571

301,070

10,728,148

12,535,789

4,627,250

7,908,539

S E C R E T

Approved For Release 2009/01/05 : CIA-RDP67B00074R000500230001-7

S E C R E T

25X1

534, IN 23604

PAGE TWO OF TWO

3. ANTICIPATED CONTRACT

VALUE	11,221,156	1,314,633	12,535,789
-------	------------	-----------	------------

F. VARIANCE AT COMPLETION

(OVER) UNDER	-0-	-0-	-0-
--------------	-----	-----	-----

NOTE: CONTRACT VALUE BASED ON TARGET BUDGET

END OF MESSAGE

S E C R E T

DATE 1715Z 20 NOV 61

SECRET

ROUTING			
1	South	4	Sim
2	DB/03	5	Dist. Ch
3	DB	6	KI

TO : DIRECTOR

FROM [REDACTED]

ACTION: DPD (1-2-3-4-5-6-7-8-9-10)

INFO : S/C (11)

DL

TOR 1703Z 20 NOV 61

25X1

PRIORITY

IN 22892

TO [REDACTED]

INFO [REDACTED]

CITE [REDACTED]

25X1 25X1
510

ATTN: [REDACTED]

25X1

25X1

PURSUANT TO RECENT CONVERSATIONS, THIS IS TO INFORM YOU THAT, IN ORDER TO INSURE COMPLIANCE WITH EXISTING SCHEDULE, A NON-RESTRICTED AUTHORIZATION TO PROCEED ON ALL SIXTEEN (16) UNITS MUST BE GRANTED IMMEDIATELY.

INSOFAR AS UNITS 17-23 ARE CONCERNED, AUTHORIZATION TO PROCEED ON THESE UNITS MUST BE RECEIVED BY NOT LATER THAN 24 NOVEMBER 1961, IN ORDER TO COMPLY WITH SCHEDULE OUTLINED IN YOUR REQUEST FOR QUOTATION.

END OF MESSAGE

SECRET

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

Copy No.

CLASSIFIED MESSAGE

DATE :

1830Z 24 OCT 61

SECRET

1	<i>Conde</i>	2	<i>21</i>
2	<i>Fin</i>	3	
3	<i>Ch/DB</i>	4	

TO : DIRECTOR

FROM :

ACTION: DPD (1-2-3-4-5-6-7-8-9-10)

INFO : S/C (11)

NJI

TOR: 2107Z 24 OCT 61

25X1

ROUTINE

IN 20824

TO

INFO

482 25X1 25X1

ATTN:

25X1

REQUEST YOUR CONCURRENCE IN THE LETTING OF SUBCONTRACT TO
 VERSA-TILE COMPANY, MELROSE, MASSACHUSETTS, FOR THE TILING OF
 THE GENERAL OFFICE, MODEL, AND SCHEDULING AREAS. THIS SUBCONTRACT IS
 IN THE AMOUNT OF \$3,906.

ALSO REQUEST YOUR CONCURRENCE IN THE LETTING OF A CHANGE ORDER TO
 SUBCONTRACT TO SWIEDLER CONTRACTING COMPANY, IN THE AMOUNT OF \$2,108
 FOR ADDITIONAL CARPENTRY WORK.

END OF MESSAGE

INITIAL	REMARKS
<i>EB</i>	
<i>SR</i>	
<i>MB</i>	
<i>MA</i>	
<i>OW</i>	
<i>DC</i>	
<i>MS</i>	
<i>JS</i>	

SECRET

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED

Copy 112

CLASSIFIED MESSAGE

DATE 23 OCT 61 1800Z

S E C R E T

ROUTING	
1	4
2	5
3	6

PRIORITY

25X1

P R I O R I T Y

TO : DIRECTOR

FROM

ACTION: DPD (1-2-3-4-5-6-7-8-9-10) BB450

INFO : S/C (11)

JL

TOR 23 OCT 61 2032Z

TO

INFO

ATTN:

CIRCULATE	
X-REF	

IN 20717

25X125X1

25X1

REQUEST YOUR CONCURRENCE IN THE PLACEMENT OF A T AND M SUBCONTRACT TO WARREN H BENNETT, INC., OF MEDFORD, MASS., WITH A NOT-TO-EXCEED FIGURE OF \$25,300 TO COVER ELECTRICAL WORK REQUIRED IN THE NEWTON FACILITY. THIS BID WAS AWARDED ON THE BASIS OF COMPETITIVE PROCUREMENT.

END OF MESSAGE

S E C R E T

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

Copy No.

DATE 23 OCT 61 1800Z

SECRET

ROUTING		
1	<i>Link</i>	4
2	<i>Fen</i>	8
3	<i>CA/AB</i>	8

PRIORITY

25X1

PRIORITY

TO : DIRECTOR/

FROM :

ACTION: DPD (1-2-3-4-5-6-7-8-9-10)

INFO : S/C (11)

JL

TOR 23 OCT 61 2032Z

17E1C
BB450

1	CIRCULATE	INITIAL
2	A-FILE	<i>131</i>
3		<i>Sub</i>
4		<i>Qua</i>
5		<i>OK</i>
6		<i>OK</i>
7		<i>OK</i>
8		<i>OK</i>
9		<i>OK</i>
10	FILE	<i>OK</i>

IN 20716

25X1
25X1
17

TO

INFO

ATTN:

25X1

REQUEST YOUR CONCURRENCE IN THE PLACEMENT OF A SUBCONTRACT
IN THE AMOUNT OF \$3700 TO HUNNEWELL PAINTING AND DECORATING OF
BRIGHTON, MASS., TO COMPLETE THE PAINTING ON CEILINGS, WALLS,
PARTITIONS AND PIPES IN THE NEWTON FACILITY.

END OF MESSAGE

SECRET

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

Copy No.

25X1

ORIG :
 UNIT :
 EXT :
 DATE : 20 OCTOBER 1961

CLASSIFIED MESSAGE

SECRET

ROUTING			
1	CS/DPD	4	RI/DPD
2	A/CH/DPD	5	
3	FIN/DPD	6	

25X1

TO :
 20 OCT 61 10 03z

FROM: DIRECTOR

CONF: DPD (1-2-3-4-5-6-7-8-9-10)
 TER/BBVSO

INFO: S/C (11)

RMH

TOR: 1803Z 20 OCT 61

TO

INFO

CITE

OUT02502

25X1

25X1

4667

REF: 471 (IN 20463)

ATTN:

25X1

25X1

CONCUR YOUR ACTION IN LETTING SUBCONTRACTS WITH C. C. SEMALL, \$3200, AND
 WITH METROPOLITAN COAL AND OIL COMPANY, \$525.

END OF MESSAGE

CIRCULATE	INITIAL
X-REF	
FILE	

25X1

COORDINATING OFFICERS

SECRET

AUTHENTICATING OFFICER

OTHER THAN THE ISSUING OFFICE IS PROHIBITED. Copy No.

CLASSIFIED MESSAGE

DATE 19 OCT 61 1530Z

S E C R E T

ROUTING

1	<i>But</i>	4
2	<i>for</i>	5
3	<i>EL</i>	6

TO : DIRECTOR

FROM :

ITEK BB450

25X1

ACTION: DPD (1-2-3-4-5-6-7-8-9-10)

INFO : S/C (11)

PRIORITY

MHC

TOR: 19 OCT 61 1703Z

TO

INFO

CITE

IN 20463

25X1 25X1
4/1

ATTN:

25X1

REQUEST CONCURRENCE OF MY ACTION TO LET TWO FIXED PRICE CONTRACTS:

1. TO C. C. SEWELL COMPANY, DORCHESTER, IN THE AMOUNT OF \$3200 FOR MACHINERY WORK. TIME PRECLUDES BID-TYPE PROCUREMENT.
2. FIXED PRICE CONTRACT IN THE AMOUNT OF \$525 FOR COMPLETE OVERHAUL OF THREE (3) BURNERS AND BOILERS TO METROPOLITAN COAL AND OIL COMPANY, BOSTON.

SEWELL AND METROPOLITAN HAVE PERFORMED WELL FOR US IN THE PAST.

END OF MESSAGE

CIRCULATE	INITIAL
X-REF	<i>W</i>
	<i>RLK</i>
	<i>RLK</i>
	<i>RLK</i>
	<i>RLK</i>
	<i>RLK</i>
	<i>RLK</i>
	<i>RLK</i>
	<i>RLK</i>
FILE	<i>RLK</i>

S E C R E T

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

Copy No.

CLASSIFIED MESSAGE

DATE 1530Z 18 OCT 61

SECRET

ROUTING	
1	4
2	5
3	6

TO : DIRECTOR

FROM :

ACTION: DPD (1,2,3,4,5,6,7,8,9,10)

INFO : S/C (11)

EG

TOR: 1559Z 18 OCT 61

25X1

PRIORITY

IN 20376

TO

INFO

CITE

25X1
409

ATTN:

25X1

REQUEST AUTHORIZATION TO LET SUBCONTRACT FOR LEASEHOLD
IMPROVEMENTS TO SWIEDLER CONTRACTING COMPANY, 540 MAIN STREET,
WINCHESTER MASSACHUSETTS, IN THE AMOUNT OF \$2500 FOR PARTITIONING,
AS FOLLOWS:

SUPPLY AND INSTALL 380 LINEAL FEET OF 7' - 0" GYPSUM PARTITION,
DOOR, AND HARDWARE.

TWO BIDS WERE OBTAINED. THIS WAS THE LOW BIDDER BY \$228.

END OF MESSAGE

CIRCULATE	INITIAL
X-REF	
FILE	

SECRET

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

Copy No.

CLASSIFIED MESSAGE

DATE : 1500Z 13 SEP 61

SECRET

ROUTING			
1	<i>Coyts</i>	4	<i>DB</i>
2	<i>for</i>	5	<i>and ch</i>
3	<i>Ch 703</i>	6	<i>cl</i>

PRIORITY

25X1

TO : DIRECTOR

FROM :

ACTION: DPD (1,2,3,4,5,6,7,8,9,10)

INFC : S/C (11)

SP

TOR 1530Z 13 SEP 61

PRIORITY

IN 17466

25X125X1

TO

INFO

CITE

440

ATTN: *Itak*

25X1

FUNDING CRITICAL. REQUEST ADDITIONAL FUNDING IN THE AMOUNT
OF \$300,000 ON CONTRACT BB-450 TO COVER OPERATIONS THROUGH THE
MONTH OF SEPTEMBER.

END OF MESSAGE

CIRCULATE	INITIAL
X-REF	
<i>EB</i>	
FILE	

SECRET

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.

Copy No.

CLASSIFIED MESSAGE

ORIG
UNIT
EXT
DATE

31 July 1961 BB-450-AAI

SECRET

ROUTING

1	DDP/Contracts	4	CH/25X1
2	A/CH/DPD	5	" " "
3	DD/P	6	DD/DPD
		7	RI/DPD

25X1

TO

FROM: DIRECTOR

CONF: DPD (1-2-3-4-5-6-7-8-9-10)

INFO: S/C (11)

MHC

TOR: 31 JUL 61 2021Z

OUT97045

TO

INFO

CITE

25X1

2490

REF. [] 392 (IN 13680)

Stok BB-450

25X1

1. YOU ARE AUTHORIZED TO EXPEND AN ADDITIONAL SUM NOT EXCEEDING \$200,000 FOR CONTINUATION OF WORK UNDER LETTER CONTRACT BB-450 TO 15 AUGUST 1961.

2. DEFINITIVE CONTRACT WILL BE MAILED NEXT FEW DAYS.

END OF MESSAGE

CIRCULATE	INITIAL
X-REF	ST
EB	Her
W	aus
PD	EB
	OP

25X1

This \$200,000 included in \$4640,000 obligation of FY 62 DOD CORONA Funds - MUR-0005, 13 Jul 61

CH/CS/DPD

COORDINATING OFFICERS

SECRET

RELEASING OFFICER

AUTHENTICATING OFFICER

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED. Copy No.

MEMORANDUM FOR: COMPTROLLER AND DEPUTY COMPTROLLER, DPD
SUBJECT : TRIP TO ITEK CORPORATION, 18 JUNE 1962



My flight arrived at LOGAN airport at 0945. Since I had never been to ITEK and had never seen the person who was to meet me, my first problem was at hand. I had described myself to Peggy on the phone (she is one of the secretaries) as 5' 10" and good looking blond of 37, and wondered if I could be spotted on that description. ~~She~~ One approached me for approximately 5 minutes and I began to get worried. Just then I decided to act as if I were looking for someone. A man in a white shirt approached me as said "Are you [redacted]" I knew my description was good.

STAT

The driver took me to Newton, Massachusetts where a meeting was held with [redacted] the resident auditor. We discussed the problem of receiving. Our problem seemed to be that we had too much receiving. Item 2 is a Camera System, which included dual cassettes and main instruments. Originally it was decided to number them consecutively so that instrument M-1 would contain Main Instruments 70/71, Cassettes 70/71 and Frame Camera 70. M-2 would be 70/72 for Main Instruments and Cassettes and Frame Camera 72 etc. However, as these items were assembled (out west), some part would be defective and Cassette 76/77 perhaps would be substituted for 70/71. Also Frame camera 74 would be used in place of 70 and other changes. When 70 was repaired it would be used in assembly with some other. This problem was resolved since Al kept a chart and was attempting to keep order. All the receiving documents I had that could be tied into invoices was accomplished. Many had to be destroyed as duplicates, since a number pertained to invoices we had paid with proper documentation.

STAT

We went over invoice 6457. This billed for items which it turned out was delivered to themselves for item 4b, 4c, 4e, 4g, 4h, 4i, 4j. Al is having proper DD 250's made up for the quantity and items billed and will send to us. [redacted]

[redacted] and I were taken into the plant to count the items and verify that they are there. [redacted] said he would sign that these were in the plant. Also, [redacted] has seen the items on his visit there last week. Plus this, paragraph IIIc of the schedule states that these items can be paid for on ITEK's certification that they have them.

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SIAI

The problem on the billing format and the overbilling invoice was brought up and they stated it would be better to go to the Lexington plant to the Controllers Office on this.

Met with [redacted] the Controller and he and his assistants agreed to follow the method I suggested for

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-2-

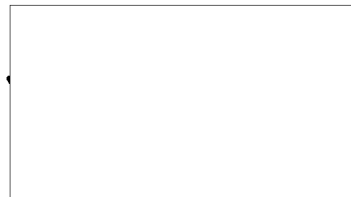
billing Progress Payments and End items. They had been separating costs and profits in billing end items. For example if Item 2 in the contract was for 575,000.00 dollars, they would bill item 2 as 478,000.00 and then add a percentage of profit later in the billing after progress payments were deducted. If a number of items were billed on one invoice it was difficult to spot where an error might be. I asked to list each item separately with the cost as stated in the contract exhibit. For recovery of progress payments I asked them to follow the format used by most of our other contractors and they indicated it would be easier for them to follow my suggestion, then to do the extra work they were doing.

We then discussed invoice 6562A which is an adjustment for previous billings that we requested. Exhibit "A" to the contract listed items a one price, but Exhibit "A" Revised lowered to price and raised the quantity needed. Their adjustment billed us an additional \$534,859.41, whereas my calculations indicated they owed us approximately \$1,000,000.00.

The voucher listed that they were adjusting 8 invoices. One of the invoices was number 6436. This developed to be 6438. It also failed to list invoice 6457 which had not yet been paid. Item 1 to the schedule was deleted and it appeared they were rebilling item one at \$597,595.00. What they were doing was adjusting the billings shown but also adding some additional end items without sending us the certificates of inspection and DD 250's.

It was agreed that the adjustment was to be made separately. My pencil figures were left with an accountant to follow the method used to come up with the amount due. They, at the same time, could bill the additional items by sending proper certificates and then what happened could then be followed by any subsequent audit of our records.

The deadline for my departure had arrived and I was taken to a taxi stand and arrived at LOGAN 2 minutes prior to my departure time. The plane then was delayed for approximately 10 minutes.



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[Handwritten signature]

SECRET

MIR-0006

Copy 2 of 5**NEGOTIATED CONTRACT****CONTRACT NO. EB-450**

ITEK Laboratories
A Division of ITEK Corporation
Lexington, Massachusetts

Contract For: See Schedule

Amount: TP \$4,627,255.00
Ceiling Price: 4,840,000.00

Mail Invoices To:**Performance Period: See Schedule****Administrative Data:**

This contract is entered into, by and between the United States of America, hereinafter called the Government, represented by the Contracting Officer executing this contract, and the above-named Contractor which is a Corporation, incorporated in the State of Delaware, hereinafter called the Contractor.

The parties hereto agree that the Contractor shall furnish the necessary facilities and deliver all supplies and shall perform all the services set forth in the attached schedule issued hereunder for the consideration stated therein.

The rights and obligations of the parties to this contract shall be subject to and governed by the attached Schedule APPENDIX I and General Provisions, which together with this signature page and the accompanying certificate comprise this Contract No. EB-450. In the event of any inconsistency between the Schedule and the General Provisions, the Schedule shall control.

IN WITNESS WHEREOF, the parties hereto have executed this contract as of
15 AUG 1961, 1961.

Signatures:

ITEK LABORATORIES
A DIVISION OF ITEK CORPORATION
Lexington, Massachusetts

THE UNITED STATES OF AMERICA

BY _____
TITLE President, Itek Laboratories

BY _____
CONTRACTING OFFICER

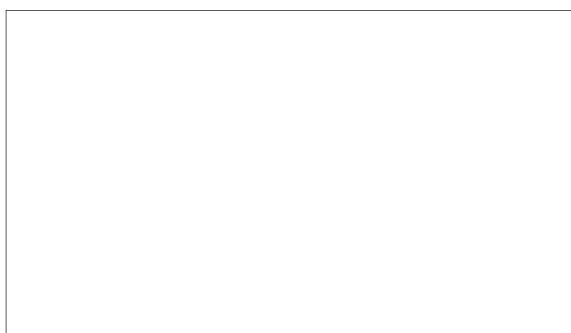
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Contract No. DD-450

CERTIFICATE

I, , certify that I am the
Secretary/Treasurer of the Corporation named as
Contractor herein; that who signed
this contract on behalf of the Contractor was then
Vice-President of said Corporation; that said contract was
duly signed for in behalf of said Corporation by authority of its
governing body, and is within the scope of its Corporate powers.



____ (Corporate Seal)

Contract No. BB-450

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Contract No. BB-450

SCHEDULE

PART I - STATEMENT OF WORK

The Contractor shall furnish the services, materials, and reports set forth in Exhibit A which is attached hereto and made a part of this contract.

PART II - TIME OF PERFORMANCE

The work called for under Exhibit A shall be completed in accordance with the schedules specified therein.

PART III - INSPECTION AND ACCEPTANCE

a. Government source and detail inspection are hereby waived, and inspection by the Government shall be limited to witnessing the tests and testing to be performed and examination of the reports to be furnished under this contract in order to ascertain that they are in accordance with the requirements of this contract; provided, however, that the Government may view the progress of the work at the Contractor's plant at all times during the performance of this contract. In case the reports specified for delivery hereunder fail to meet the requirements of this contract, the Government shall have the right to reject any such reports. A rejected report shall not be resubmitted for acceptance without concurrent notice of its prior rejection.

b. The Contractor shall provide and shall require subcontractors to provide an inspection system adequate to accomplish the inspection requirements of paragraph a. hereof. If any inspection as defined in paragraph a. hereof is made by the Government on the premises of the Contractor or the subcontractor, the Contractor shall provide and shall require subcontractor to provide all reasonable facilities and assistance for the safety and convenience of the inspectors in the performance of their duties.

c. Delivery of all items of work shall be F.O.B. Lexington, Massachusetts. However, deliveries may be made at such points as are agreed to between the Contractor and the Contracting Officer and directions by the Contracting Officer to ship any deliverable item to a point which is inconsistent with the above-cited F.O.B. shall be a "Change" under Article 2 of the General Provisions of the contract. The Contractor shall be relieved from liability as to damage of the instrument while in transit to a designated point other than the stipulated F.O.B. If the Contracting Officer so elects in writing to the Contractor, the Contractor shall tender the deliverable items for acceptance at the agreed to delivery points, in which event the Contracting Officer may accomplish final inspection and acceptance. In the event the Contracting Officer

does not so elect, deliverable items shall be deemed to be accepted upon the mailing by the Contractor to the Contracting Officer of a certificate of the Contractor reading substantially as follows:

I hereby certify that I did on the _____ day of _____ inspect and initiate shipment via _____ pursuant to Contract _____, units, as called for under Item _____ therein; that such units conform to the contract requirements.

d. The Contractor warrants that the services rendered in the performance of this contract will conform to the requirements of this contract and to high professional standards in the field; and that any article delivered to the Government under this contract will conform to the requirements of this contract and will not be defective in material or workmanship.

e. For articles to be delivered under this contract, the Government may require the Contractor to remedy by correction or replacement, as directed by the Contracting Officer, any failure by the Contractor to comply with its obligations hereunder. Except as otherwise provided in this paragraph, the costs of any such replacement or correction may be included in the revised contract price as determined under the clause entitled, "Retroactive Price Redetermination After Completion." Such correction or replacement shall be without cost to the Government if such defects or failures are due to fraud, lack of good faith, or willful misconduct on the part of any of the Contractor's directors or officers, or on the part of any of its managers, superintendents, or other equivalent representatives who have supervision or direction of (i) all or substantially all of the Contractor's business; or (ii) all or substantially all of the Contractor's operations at any one plant or separate location in which this contract shall be performed, or (iii) a separate and complete major industrial operation in connection with the performance of this contract. Fraud or lack of good faith or willful misconduct on the part of any such supervisory personnel shall be deemed to include the selection of individual employees or the retention of employees after any of such supervisory personnel has reason to believe that such employees are habitually careless or otherwise unqualified. Corrected articles tendered as replacement shall be subject to the provisions of this clause in the same manner and to the same extent as articles originally delivered under this contract. Except as provided in this clause, the Contractor shall have no obligation or liability with respect to services performed and articles delivered under the contract.

PART IV - OVERTIME

It is recognized that extensive overtime and extra-shift premium wage payments will be required in order to fulfill the performance schedule of the contract. The Contractor agrees to limit such overtime and extra-shift utilization, insofar as practicable, consistent with meeting such schedule. Therefore, no restrictions are imposed on such utilization; and prior approvals therefor are not required.

PART V - FACILITIES

a. Contractor is authorized to use on a no-charge-for-use basis those facilities furnished or to be hereinafter furnished under Air Force Facilities Contract No. AF33(600)-38172, provided the use of such facilities does not interfere with the purpose for which such facilities were furnished.

b. Contractor is also authorized to use at no charge such items of special tooling, test equipment, and facilities generated under ITTX-IMSD Subcontract Nos. 100-9, 100-20 and 100-30.

PART VI - WAIVER OF REQUIREMENTS OF GENERAL PROVISIONS

Notwithstanding the requirements of any of the General Provisions of this contract to the contrary, whenever the Contractor, in performance of the work under this contract, shall find that the requirements of any of the clauses of the General Provisions are in conflict with security instructions issued to the Contractor by the Contracting Officer or by his duly authorized representative for security matters, the Contractor shall call the attention of the Contracting Officer to such conflict and the Contracting Officer or his duly authorized representative for security matters shall (i) modify or rescind such security requirements or (ii) the Contracting Officer shall issue to the Contractor a waiver of compliance with the requirements of the General Provisions conflicting with such security requirements. Any waiver of compliance with the General Provisions of this contract issued by the Contracting Officer shall be in writing, except that the approval by the Contracting Officer of any subcontract issued hereunder by the Contractor shall be deemed to constitute approval of waiver of any clauses of the General Provisions in conflict with the stipulations of such subcontract.

PART VII - SPECIAL SECURITY RESTRICTIONS

The Contractor shall not reveal (i) the specific nature or any details of the work being performed hereunder or (ii) any information whatsoever with respect to the department of the Government sponsoring this contract and the work thereunder except as the Contractor is directed or permitted to reveal such information by the Contracting

Officer or by his duly authorized representative for security matters, and notwithstanding any clause or section of this contract to the contrary, the Contractor shall not interpret any clause or section of this contract as requiring or permitting divulgence of such information to any person, public or private, or to any officer or department of the Government, without the express consent of the Contracting Officer or his duly authorized representative for security matters.

PART VIII - SYSTEM ENGINEERING AND TECHNICAL DIRECTION

System Engineering and Technical Direction (SETD) of this program will be accomplished by Lockheed Missile System Division, Sunnyvale, California, under separate contract to the Government. The purview of SETD includes, but is not limited to, systems requirements and parameters, systems and major assembly design specifications, test specifications and procedures, systems integration, establishment and revision of program milestones, reliability, modification to systems and subsystems, and requests for design and performance waivers on end item equipment. Technical direction shall be accomplished by issue of Technical Directives by SETD which shall be approved by the Government.

PART IX - PROGRESS PAYMENTS

a. Progress payments, which are hereby defined as payments prior to acceptance, on work in progress for the Government under this contract, may be made upon the following terms and conditions:

b. The Contracting Officer may, from time to time, authorize progress payments to the Contractor upon property acquired or produced and service performed by it for the performance of this contract; provided, that such progress payments shall not exceed ninety per cent (90%) of the cost to the Contractor of the property and services upon which payment is made, which costs shall be determined from evidence submitted by the Contractor and which must be such as is satisfactory to the Contracting Officer as being representative of the value of the work already performed, provided further, that in no event shall the total of unliquidated progress payments (see c below) and of unliquidated advance payments, if any, made under this contract, exceed ninety per cent (90%) of the total contract price of supplies or services still to be delivered.

c. Upon the making of any progress payment under this contract, title to all parts, materials, inventories, work in process and nondurable tools theretofore acquired or produced by the Contractor for the performance of this contract, and properly chargeable thereto under sound accounting practice, shall forthwith vest in the Government.

and title to all like property thereafter acquired or produced by the Contractor for the performance of this contract and properly chargeable thereto as aforesaid shall vest in the Government forthwith upon said acquisition or production; provided, that nothing herein shall deprive the Contractor of any further progress or final payments due or to become due hereunder; or relieve the Contractor or the Government of any of their respective rights or obligations under this contract.

d. The Contractor represents and warrants that the property upon which any progress payment is made hereunder, shall be cleared of all liens and encumbrances of any kind whatsoever upon receipt of any progress payment.

e. In making payment for the supplies furnished hereunder, there shall be deducted from the contract price therefor a proportionate amount of the progress payments theretofore made to the contractor, under the authority herein contained.

f. It is recognized that property (including, without limitation completed supplies, spare parts, drawings, information, partially completed supplies, work in process, materials, fabricated parts and other things called for herein) title to which is or may hereafter become vested in the Government pursuant to this clause will from time to time be used by or be put in the care, custody or possession of the Contractor in connection with the performance of this contract. The Contractor, either before or after receipt of Notice of Termination at the option of the Government, may acquire or dispose of property to which title is vested in the Government under this clause, upon terms approved by the Contracting Officer; provided, that after receipt of Notice of Termination, any such property that is a part of termination inventory may be acquired or disposed of only in accordance with the provisions of the termination clause of this contract and applicable laws and regulations. The agreed price in case of acquisition by the Contractor (or the proceeds received by the Contractor in case of any other dispositions), shall, to the extent that such price and proceeds do not exceed the unliquidated balance of progress payments hereunder, be paid or credited to the Government as the Contracting Officer shall direct; and such unliquidated balance shall be reduced accordingly. Current production scrap may be sold by the Contractor without approval of the Contracting Officer; but the proceeds will be applied as provided in this paragraph f, provided that such scrap which is a part of termination inventory may be sold only in accordance with the provisions of the termination clause of this contract and applicable laws and regulations. Upon liquidation of all progress payments hereunder or upon completion of deliveries called for by this contract, title to all property (or the proceeds thereof) which had not been delivered to and accepted by the Government under this contract or

which has not been incorporated in supplies delivered to and accepted by the Government under this contract and to which title has vested in the Government under this clause shall vest in the Contractor.

g. The provisions of this contract referring to 'Liability for Government-furnished Property' and any other provision of this contract defining liability for Government-furnished property shall be inapplicable to property to which the Government shall have acquired title solely by virtue to the provisions of this clause. The provisions of this clause shall not relieve the Contractor from risk of loss or destruction or of damage to property to which title vests in the Government under the provisions hereof.

h. If this contract (as heretofore or hereafter supplemented or amended) contains provisions for advance payments, and in addition if at the time any progress payment is to be made to the Contractor under the provisions of this Progress Payments clause any unliquidated balance of advance payments is outstanding, then notwithstanding any other provision of the Progress Payments clause of this contract the net amount, after appropriate deduction for liquidation of the advance payment, of such progress payment shall be deposited in the special bank account or accounts maintained as required by the provisions of the Progress Payments clause, and shall thereafter be withdrawn only pursuant to such provisions.

PART X - MONTHLY COST STATUS REPORT

Contractor shall submit a monthly report of expenditures and commitments incurred under the contract, together with an estimate of costs to complete the contract. If the total is different from the contract price, Contractor shall give reasons therefor. The report shall also contain a brief technical summary of progress made during the preceding month.

PART XI - GOVERNMENT-FURNISHED PROPERTY

/ The Government will furnish the property set forth in Exhibit B to this contract for incorporation and/or use in the fabrication and delivery of the work called for hereunder.

PART XII - INCENTIVE PRICE REVISION

a. Definitions: As used in this clause, the following terms shall have the meanings set forth below:

(1) The terms target price means the unit price of any supplies or services under this contract, which is subject to adjustment in accordance with this clause, and is composed of target cost and target profit.

(ii) The term target cost means that part of the target price which, at the time of its negotiation, was agreed to as the estimate of the unit cost of the supplies or services being procured.

(iii) The term target profit means that part of the target price which, at the time of its negotiation, was agreed to as the unit profit for furnishing the supplies or services at a cost equal to the target cost.

(iv) The term total target price means the sum of the target prices.

(v) The terms total target cost means the sum of the target costs.

(vi) The term total target profit means the sum of the target profits.

(vii) The term total adjusted cost means the final negotiated cost of all supplies or services which are subject to price revision under this clause.

(viii) The term total adjusted price means the final contract price, as computed in accordance with this clause, for all supplies or services which are subject to price revision under this clause.

b. General. The supplies or services identified in the Schedule as Items 1 through 6 are subject to price revision in accordance with the provisions of this clause; provided that in no event shall the total adjusted price of such items exceed \$4,840,000.00. Any supplies or services which are to be ordered separately under, or otherwise added to this contract, and which are to be subject to price revision in accordance with the provisions of this clause, shall be identified as such in a modification to this contract.

c. Submission of Data. Within sixty (60) days after the end of the month in which the Contractor has delivered the last unit of supplies and completed the services called for by those Items listed in paragraph (b) above; the Contractor shall submit, in such form as the Contracting Officer may require, (i) a detailed statement of all costs incurred up to the end of that month in performing all work under such Items, and (ii) an estimate of costs of such further performance, if any, as may be necessary to complete performance of all work with respect to such Items.

d. Price Revision. Upon submission of the data required by paragraph c. above, the Contractor and the Contracting Officer shall promptly establish the total adjusted price in accordance with the following:

1. On the basis of the information required by paragraph c. above, together with any other pertinent information, there shall be established by negotiation the total adjusted cost reasonably incurred or to be incurred for and properly allocable to the supplies delivered (or services performed) and accepted by the Government, which are subject to price revision under this clause.

2. The total adjusted price shall be established by adding to the total adjusted cost an allowance for profit determined as follows:

WHEN THE TOTAL ADJUSTED COST IS:	THE ALLOWANCE FOR PROFIT IS:
Equal to the total target cost	Total target profit.
Greater than the total target cost	Total target profit less fifteen percent (15%) of the amount by which the total adjusted cost exceeds the total target cost.
Less than the total target cost	Total target profit plus twenty-five percent (25%) of the first five hundred thousand dollars by which the total adjusted cost is less than the total target cost. On any amount over the above the first five hundred thousand dollars, the percentage of sharing shall be fifteen (15%) percent.

However, in no event shall the allowance for profit exceed fifteen percent (15%) of the total target cost.

e. Records.

1. The Contractor shall maintain books, records, documents, and other evidence, sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for the performance of this contract. The Contractor shall segregate the costs of any supplies or services for which the price is fixed and not subject to revision under this clause. Each subcontract placed by the Contractor hereunder on other than a firm fixed-price basis in connection with the furnishing of the supplies

or services identified in paragraph b. above as being subject to price revision (i) shall provide that the subcontractor shall maintain books, records, documents, and other evidence, sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred in the performance of such subcontract and (ii) shall require each such subcontractor to insert the entire substance of this subparagraph, including this (ii) in all its subcontract which are on other than a firm fixed-price basis.

2. The Government may at all reasonable times make such examination or audit as the Contracting Officer may require of the Contractor's books, records, documents, and other evidence, pertinent to the performance of this contract.

f. Certification. An authorized responsible official of the Contractor shall certify on each statement of costs submitted to the Contracting Officer pursuant to e. above that the incurred costs are based upon records of the Contractor, that such records reflect generally accepted accounting principles and practices normally followed by the Contractor, that such costs are correct to the best of his knowledge and belief, and that the accompanying estimate of costs to complete is considered reasonable.

g. Subcontracts.

1. No subcontract placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis, and the Contractor shall not, without the prior written consent of the Contracting Officer, place any subcontract which is on a cost-plus-a-fee basis and which would involve a total price in excess of \$10,000, including the fee. The Contracting Officer may, in his discretion, ratify in writing any such cost-plus-a-fee subcontract and such action shall constitute the consent of the Contracting Officer as required by this subparagraph 1.

2. Each subcontract placed by the Contractor hereunder (i) shall provide that the Government may at all reasonable time make such examination or audit as the Contracting Officer may require of the subcontractor's books, records, documents, and other evidence, pertinent to the performance of the subcontract, and (ii) shall require each subcontractor whose subcontract is on other than a firm fixed-price basis to insert the entire substance of this subparagraph, including this (ii), in all his subcontracts. The term "subcontract" as used in this subparagraph 2 only, excludes firm fixed-price subcontract not in excess of \$2,500 and subcontracts for utility services at rates established for uniform application to the general public.

h. Contract Modifications. The total adjusted price, as determined in accordance with paragraph d. above, shall be evidenced by a modification to this contract signed by the Contractor and the Contracting Officer and shall apply to supplies delivered and to services performed under this contract.

i. Adjustment of Payments. Pending execution of the contract modification referred to in paragraph h above, the Contractor shall submit invoices or vouchers in accordance with billing prices as provided in this paragraph. The billing prices shall be the target prices set forth in this contract, provided that if at any time it appears that the then current billing prices do not provide for payments consistent with the provisions of subparagraph j3 below, the parties may agree to revised billing prices, which shall be reflected in a modification to this contract. Billing prices are for the sole purpose of providing for interim payments and shall not affect the determination of the total adjusted price under paragraph d above. After execution of the contract modification referred to in paragraph h above, the total amount paid or to be paid on all invoices or vouchers shall be adjusted to reflect the total adjusted price and any additional payments, refunds, or credits, resulting therefrom shall be promptly made.

j. Limitation on Payments.

1. This paragraph j shall not apply after final price revision to the full extent permitted by this contract.

2. Within forty-five (45) days after the end of each quarter of the Contractor's fiscal year, beginning for the quarter in which a delivery is first made (or services are first performed) and accepted by the Government under this contract, and as of the end of each quarter, the Contractor shall submit to the Contracting Officer a cumulative statement setting forth:

(i) the total contract price of all supplies delivered (or services performed) and accepted by the Government for which final prices have been established;

(ii) the total costs (estimated to the extent necessary) reasonably incurred for and properly allocable solely to the supplies delivered for services performed) and accepted by the Government for which final prices have not been established;

(iii) that portion of the total target profit which is in direct proportion to the supplies delivered (or services performed) and accepted by the Government for which final prices have not been established, increased or decreased in accordance with the incentive profit formula set forth in d2 above when the amount of costs stated under (ii) above differs from the aggregate target costs of such supplies or services; and

(iv) the total amount of all invoices or vouchers for supplies delivered (or services performed) and accepted by the Government (including amounts applied or to be applied to liquidate progress payments).

3. Notwithstanding any provisions of this contract authorizing greater payments, if on any quarterly statement the amount of 2 (iv) above exceeds the sum of 2(i), (ii) and (iii) above, the Contractor shall immediately refund or credit to the Government against existing unpaid invoices or vouchers covered by such statement the amount of such excess less (i) the cumulative total of any previous refunds or credits under this clause (exclusive of any tax credits under Section 1481 of the Internal Revenue Code of 1954) and (ii) any applicable tax credits under Section 1481 of the Internal Revenue Code of 1954. If any portion of such excess has been applied to the liquidation of progress payments, such amount (less all tax credits under the Internal Revenue Code) may be added or restored to the unliquidated progress payment account, to the extent consistent with the progress payments clause of this contract, instead of direct refund thereof.

4. The Contractor shall (i) insert in each price redetermination or incentive price revision subcontract hereunder the substance of this "Limitation on Payments" provision, including this subparagraph 4, modified to omit mention of the Government and reflect the position of the Contractor as purchaser and of the subcontractor as vendor, and to omit that portion of subparagraph 3 relating to tax credits and (ii) include in each cost-reimbursement type subcontract hereunder a requirement that each price redetermination and incentive price revision subcontract thereunder will contain the substance of this "Limitation on Payment" provision, including this subparagraph 4 modified as outlined in 1 above. [Rev. No. 1, 7/22/60]

k. Disagreement. If the Contractor and the Contracting Officer fail to agree upon the total adjusted price within 60 days after the date on which the data required by c above are to be submitted, or within such further time as may be specified by the Contracting Officer, such failure to agree shall be deemed to be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes," and the Contracting Officer shall promptly issue a decision thereunder.

l. Termination. If this contract is terminated prior to establishment of the total adjusted price, prices of supplies or services subject to price revision under this clause shall be established pursuant to this clause for (i) completed supplies accepted by the Government and services performed and accepted by the Government and (ii) in the event

of a partial termination, supplies and services which are not terminated. All other elements of the termination shall be resolved pursuant to other applicable provisions of this contract.

m. Spare Parts. Spare parts, other supplies, or services, which are to be furnished under this contract pursuant to a provisioning document or Government option shall be subject to price revision in accordance with the provisions of this clause, and any prices established for such spare parts, other supplies, or services, pursuant to such provisioning document or Government option, shall be deemed to be target prices. Target cost and profit covering such spare parts, other supplies, or services, may be established either separately, in the aggregate, or in any combination thereof, as the parties may agree. [Rev. No. 35, 7/15/58]

PART XIII - LETTER CONTRACT SUPERSEDED

This is the definitive contract contemplated by TWX authorization BIRD 1707, dated 23 March 1961, and Letter Contract NB-450, dated 12 May 1961. This contract supersedes said documents in their entirety. Any action taken pursuant to the authorization contained therein and any costs incurred thereunder shall be considered as action taken and costs incurred in the performance of this contract.

Item 1 - Contractor shall refurbish and modify as necessary two
(2) Government-furnished Photographic Instruments
(instruments to be selected from those fabricated under
LMSD Subcontract 100-30). Said modification shall be
conducted in accordance with Contractor's Document
SHC61-8214-168 dated 26 June 1961, said document being
incorporated herein by reference. The resulting
convergent stereoscopic configuration shall be regarded
as an engineering model suitable for flight and shall
meet the Design Control Specification ART 6002, dated
2 February 1961, said document being incorporated
herein by reference, insofar as practicable and
consistent with good engineering practice and the
time requirements of the Government. The resulting
system need not contain a framing camera as a part of
the configuration. The total contract billing and
target price for this item is \$141,871.

Item 2 - Contractor shall design, develop and fabricate five (5) convergent stereoscopic camera systems, including dual cassette, f/3.5 lenses and cells, in accordance with Contractor's Document SMC61-8214-168, dated 26 June 1961, at a unit billing and target price of \$733,850, and a total billing and target price of \$3,669,250.

Item 3 - Contractor shall furnish Camera Systems Management Control, Technical Liaison and Engineering support as necessary to conduct the program and meet the objectives set forth in paragraphs 11 and 12 of Contractor's Document SHC61-8214-168, dated 26 June 1961. The price of this Item 3 is included in the price of Item 2 above.

Item 4 - Contractor shall fabricate the following additional components of the camera system and support equipment in accordance with Contractor's Document SHC61-8214-168, dated 26 June 1961:

a. One (1) each spare lens and cell at a total billing and target price of \$14,378.

b. Two (2) each dual cassettes at a unit billing and target price of \$17,000, and a total billing and target price of \$34,000.

c. Three (3) each dollies for assembly and ground handling of Items 1 and 2 at a unit billing and target price of \$1,999, and a total billing and target price of \$5,997.

d. Two (2) each f/3.5 target simulators at a unit billing and target price of \$145,034, and a total billing and target price of \$290,068.

e. One (1) each test and checkout console for Items 1 and 2 at a total billing and target price of \$101,770.

f. Three (3) each control panels suitable for use in modifying the LMSD test and checkout console to accommodate testing of Items 1 and 2, the price of which is included in Item 4e above.

Item 5 - Contractor shall provide continuous field operations support for handling, testing, evaluating, repairing, and retrofitting any items delivered under this contract in accordance with paragraph 9 of Contractor's Document SHC61-8214-163, dated 26 June 1961. Such services shall be performed for a period of 18 months starting 1 June 1961 and ending 30 November 1962. These services, upon satisfactory performance and approval by the Contracting Officer, shall be billable every six months at a billing price of \$123,307. The total target price for this Item is \$369,921.

Item 6 - Contractor shall furnish such spare parts as may be necessary to support Item 1 and 2 above as agreed to by the parties hereto. The Contractor shall submit a list of recommended spares and prices therefor on or before 31 August 1961. The parties hereto will negotiate and agree to the quantities, prices and delivery schedule therefor and such negotiation will be evidenced by an amendment to this contract.

B. DELIVERY

The Contractor shall make delivery of the items called for above in accordance with the following schedule. Inspection and acceptance by the Government shall be at Contractor's Plant.

Item 1 - The engineering model shall be delivered on or before 15 September 1961.

Item 2 - The five systems shall be delivered as follows:

<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>
1	2	1	1

Item 3 - The Camera Systems Management Control Technical Liaison and Engineering Support shall be furnished from date of contract through 30 October 1962.

Item 4 - Contractor shall make deliveries of Item 4 as follows:

- a. The spare lens shall be available for use at Contractor's plant on 15 February 1962. Delivery shall be upon demand thereafter but in no event later than delivery of the last system called for under Item 2.
- b. The dual cassettes shall be delivered on or before 15 September 1961.
- c. The dollies shall be delivered as follows:
 - 1 each on or before 15 September 1961
 - 1 each on or before 1 February 1962
 - 1 each on or before 1 March 1962
- d. The target simulators shall be delivered as follows:
 - 2 each on or before 15 October 1961
- e. The test and checkout console shall be delivered on or before 15 August 1961.
- f. The three (3) control panels shall be delivered on or before 15 August 1961.

Item 5 - Contractor shall provide the field services as set forth in Item 5.

Item 6 - Contractor shall furnish the spare parts in accordance with Item 6.

EXHIBIT B
Contract No. BB-450

Government-Furnished Property

<u>Item</u>	<u>Description</u>	<u>Quantity</u>
1	f/3.5 lens and cell	2
2	f/3.5 Target Simulator	1
3	Test and Checkout Console	1
4	Film	to be determined
5	C-Triple Prime Instruments	2
6	Test and Operational Data affecting Camera System	as required
7	Jig Bore Machine 15	1

Approved For Release 2009/01/05 : CIA-RDP67B00074R000500230001-7

(When Filled In)

[illegible]

FORM 4-61 1822

SECRET

11

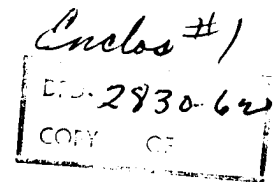
Approved For Release 2009/01/05 : CIA-RDP67B00074R000500230001-7



INVOICE

Itek Corporation

Waltham 54, Massachusetts

**SOLD TO:****SHIPPED TO:****INVOICE DATE** 4/16/62**INVOICE NO.** 17

terms, net cash

YOUR ORDER NO.	GOV'T CONTRACT NO.	SHIPPED VIA -	
			8214

PERIOD COVERED: INCEPTION THRU 3/31/62

Direct Labor	\$1,163,128.16
Overhead	1,718,511.59
Materials	1,992,280.01
Sub-Contract	79,815.12
Other Direct Charges	142,949.09
Total Manufacturing Cost	5,096,683.97
General Administration	662,412.87
Sub-Total	> 5,759,096.84
Previously Billed by Itek	5,048,541.10
Total	710,555.74
Retention @ 10%	71,055.58
Net Amount Due on this Invoice	<u>\$ 639,500.16</u>

costs less 10%
= 5,183,187.16
paid

"I certify that the above bill is correct and just and that payment has not been received. Payment is requested on a provisional basis pending the establishment of accepted overhead rates."

25X1

Controller

25X1

"It is hereby acknowledged that the assignment of all monies due and to become due under Contract No. (classified) is effective and covers this invoice which is to be paid directly to the Assignee, The First National Bank of Boston, 67 Milk Street, Boston 6, Massachusetts."

Itek Corporation

25X25X1

(Date)

8 MAY 1962

(Date)

-8214-

Invoice No. 17

PERIOD COVERED: 3/16 thru 3/31/62Direct Labor

Engineering	\$105,676.89	
Palo Alto	<u>16,837.46</u>	
Total Direct Labor		\$122,514.35

Overhead

Engineering @ 150%	158,515.34	
Palo Alto @ 120%	<u>20,204.95</u>	
Total Overhead		178,720.29

Materials		301,004.60
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Sub-Contract		6,759.20
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Travel		7,761.72
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Tel. & Tel.		3,544.11
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Other Direct Labor		949.71
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Overtime Premium		8,156.41
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Contract Labor		(600.00)
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Total Manufacturing Cost		<u>628,810.39</u>
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General Administration @ 13%		81,745.35
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Total		<u><u>\$710,555.74</u></u>
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VOUCHER NO. 7-12

Approved For Release 2009/01/05 : CIA-RDP67B00074R000500230001-7
(When Filled In)

REQUEST FOR PAYMENT AND POSTING VOUCHER

VOUCHER NO. 7-12

TO : Finance Division, Accounts Branch
THROUGH: Monetary Branch

DIVISION VOUCHER NO.

6 March 62

2734

Request payment be made and/or transaction be recorded as indicated below. Pertinent documentation in support of this transaction is on file in this office.

SUBJECT

PAYMENT TO *ITEK Corporation*
A IT *# 268,964.80*INVOICE NO(S). *6305, 6366, 6371*CONTRACT NO. *40450*

CHECK TO BE DATED

CASH PAYMENT ☒

U.S. TREASURY CHECK

AGENT CASHIER CHECK

BANK CASHIER'S CHECK

THE ATTACHED CHECKS AND/OR CASH IN THE AMOUNT OF \$

SHOULD BE TAKEN INTO ACCOUNT AS INDICATED BELOW.

I HEREBY AUTHORIZE MY AGENT, WHOSE SIGNATURE APPEARS BELOW, TO RECEIVE \$

DATE SIGNATURE OF PAYEE

DATE SIGNATURE OF AGENT

OF OFFICIAL FUNDS IN CURRENCY ON MY BEHALF.
DATE SIGNATURE OF RECIPIENT

DESCRIPTION-ALL OTHER ACCOUNTS 13-33

34-39

STATION

CODE

40-42

EXPENC

CODE

43

F

U

N

D

S

45-46

PAY

PER.

LIQ.

CODE

47-52

OBLIG.

REF. NO.

53

CA

YR

54-57

GENERAL

LEDGER

ACCT. NO.

58-67

ALLOT. OR COST

ACCT. NO.

62-67

CK. NO.

X REF. NO.

68-70

DUE

DATE

71-80

AMOUNT

DEBIT

CREDIT

DESCRIPTION-
ADVANCE ACCOUNTS 13-27

28-33

T/A NO.

P.O. NO.

32-33

DIV.

PROJECT NO.

FY

S

450

6110

28-1057

6175

14

268,964.80

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PREPAR

DATE

1 MAR 62

AUTHORIZED CERTIFYING OFFICER

DATE

TOTALS

268,964.80

268,964.80

SECRET

(1)

DATE OF RELEASE 2000/01/05 : CIA-RDP87B006000100010001-5
PUBLIC VOUCHER FOR PURCHASES AND
SERVICES OTHER THAN PERSONAL

Use continuation sheet(s) if necessary

BU. YOU. NO.

Page 1 of 1

PAID BY

U. S. _____
(Department, bureau, or establishment)

Voucher prepared at _____ (Give place and date)

Payee's Account No. _____ **Discount Terms** _____

TO ITEK Corporation
(Payee)

Boston, Massachusetts

(Address)

Contract No.	BB-450	Date	Req. No.	Date	Invoice Rec'd.
Shipped from		to	Weight		Govt. B/L No.

No. and Date of Order	Date of Delivery or Service	ARTICLES OR SERVICES (Enter description, item number of contract or Federal supply schedule, and other information deemed necessary)	Quantity	UNIT PRICE		AMOUNT
				Cost	Per	
		<u>Invoice No.</u> 6365 (Orig. Inv. Att) 6371 (Orig. Inv. Att) 6366 (Orig. Inv. Att)				\$ 47,365.56 197,822.56 23,776.68
				TOTAL		\$ 268,964.80

PAYMENT:

COMPLETE ☐

PARTIAL ☐

FINAL ☐

PROGRESS ☐

ADVANCE ☐

(PAYEE MUST NOT USE THIS SPACE)

DIFFERENCES

Amount verified; correct for.
(Signature or initials)_____

certify that
payment.

7 MAR 1962

(Date)

tracting Officer)

FORM

tional)

† Approved for _____ = \$ _____

By _____

Title _____

Exchange rate _____ = \$1.00

THE REVERSE OF THIS FORM MUST BE EXECUTED WHEN PURCHASES ARE MADE

ACCOUNTING CLASSIFICATION (Appropriation Sym

Check No. _____ on Treasurer of the United States

Paid by _____ Check No. _____ on _____ (Name of Bank)

Cash, \$ _____, on _____, 19____ Payee _____

Per

Title

* When used in foreign countries, insert name of currency of country in which used.

† If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign on the line below "Approved for \$ _____", and over his official title.